

# **Social Studies Budget Project**

## **Grade 8 Economics Unit**

### ***Project Description***

#### **Outcome:**

Students will be expected to examine and explain the role that basic economic principles play in daily life. (3.1)

#### **Objective:**

Prepare a budget to plan personal spending for a one-month period.

#### **Purpose:**

In a few more years you will be graduating from high school and will be preparing for university, college or work. Having a budget and preparing for your future is very realistic and really important. You will need to think about your short-term and long-term goals, and how you will achieve those goals. For example, a short-term goal might be to save \$20.00 this month to buy your mom a gift next month for Mother's Day. A long-term goal might be to save \$100 every month for the next three years to put a down payment on a car. You will examine costs of living by preparing a hypothetical budget. You will find out what it is like to pay your own expenses, without the help of your family.

#### **Procedure:**

You will complete your budget according to the following steps, using **Microsoft PowerPoint**. You will include pictures and images when possible, and you are encouraged to be creative. Each section of the budget will have its own page, and some may require two pages.

## ***Project Components***

### 1) Title Page

The **title page** will be set up as follows:

My Monthly Budget

By

Your Name

Grade 8 Social Studies

April 2011

Economics Unit

Miss Fleet

### 2) Job Description

Find a **job** or two part-time jobs that equal at least **40 hours** a week. Go to the Job Bank website at [www.jobbank.gc.ca](http://www.jobbank.gc.ca). Remember, you have just graduated from high school, so you must find a job within the Fredericton area that you are qualified for.

Include the **job title** and the **job number**, and find an **image** that represents your job.

Provide a **description** of your job (terms of employment, hourly wage, skill requirements, and other important information on the website) and **explain** why you feel that this would be a good job for you. Why did you choose this job? Imagine that there are other people who are applying for it. What would you tell the employer about yourself to convince him or her that *you* are the best person for the job?

### 3) Weekly Schedule

Using the calendar for July 2015 (you can find this on the calendar on your laptop), make up a sample **schedule** for yourself, based on the number of hours you will be working. Remember that your job might require you to work evenings or weekends, and you will have to spread the 40 weekly hours that you will be working over five or six days. You will make a schedule for **each week** of the month of July.

Example:

July 2015

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1 8:00 AM - 4:00 PM	2 10:00 AM - 2:00 PM	3 OFF	4 2:00 PM - 11:00 PM
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

#### 4) Income

Figure out the **number of hours** you will be working during **each week** of July, and then add up your monthly total.

Example:

I will be working at the Tim Horton's on Regent Street.

##### Week 1

Hourly wage (\$10.00) × Hours (21) = Gross Income

Gross Income = **\$210.00**

Deductions:

Employment Insurance (2%) = \$4.20

Canada Pension Plan (3%) = \$6.30

Income Tax (15%) = \$31.50

Total Deductions: = **\$42.00**

Net Income: = **\$168.00**

##### Week 2

Follow the same steps as above.

##### Week 3

##### Week 4

## Week 5

**Net Income for the month of July =**

Now that you know how much your monthly income will be, you are ready for the following:

### 5) Apartment

Look online on the Kijiji website at <http://fredericton.kijiji.ca/> and find a suitable **apartment** for yourself. Under the "housing" section click on "apartments for rent". On the left side of the page, you can set the location and the price to narrow down your search. Keep your budget in mind when deciding how much you can spend on rent each month. You may choose to rent a room from someone else, or you may want to have roommates.

Copy and paste at least one **picture** of your apartment on the page, and include relevant information, such as the **price** of rent, the **location** of your apartment, **roommates** (if you have any), and any **expenses** that are included (cable, internet, telephone, electricity, heat, hot water).

Prepare a list of **three questions** that you would ask the landlord before you agree to rent the apartment. Make a list of the **expenses** you will have that are not included in the rent and **how much** they cost. You may have to go on the Roger's or NB Power website to find out.

### 6) Apartment Rules

Rules are important in every household, and you will need to have rules at your apartment, especially if you have roommates. Write up a list of **5 reasonable rules** for your apartment.

Example:

1) No smoking. 2) Everyone must wash their own dishes. 3) 4) 5)

### 7) Furniture

You can bring **your own bed and clothes dresser from home**, but your apartment needs furniture. Most apartments come with a stove and a refrigerator, but you **must buy** at least the following items:

kitchen table and chairs, couch, coffee table, lamp, TV and stand, broom, garbage cans (kitchen and bathroom), pots, dishes, cutlery

You **may also want**:

microwave, bedside table, desk and chair, end tables, bookshelf, living room chair, extra lamps, pictures for the walls, curtains, plants, stereo, kettle, vacuum cleaner, anything else you feel is necessary

You will now make a **chart** that compares the prices of brand new and second hand furniture. You can use the Kijiji Fredericton website for second hand. Under the "buy and sell" section click on "furniture". Go to the Sears website at <http://www.sears.ca/catalog/furniture/12252> to get prices for new furniture. Then compare the prices in a chart.

Example:

Item	Brand new (Sears)	Second hand (Kijiji)
Couch	\$200.00	\$30.00

Calculate the totals of the **new** furniture list and the **second hand** furniture list, and **figure out** what your **savings** will be if you buy second hand.

Remember, if you have a roommate you can split the cost of furniture, or you can buy it yourself and charge your roommate extra rent!

## 8) Transportation

Now you need to figure out **how you will get back and forth to work** every day. Since you may not have enough money to buy a car, you will most likely have to take the bus. Go to the Fredericton Transit website at <http://www.fredericton.ca/en/transportation/transitschedule.asp>. On the right side of the page, click on "Transit Trip Planner" to open Google Maps. Type in the **address of your apartment** next to the 'A' and the **address of your workplace** next to the 'B'. This will show you the nearest bus route, and it will tell you how long it will take to get from your apartment to your work.

Give me an explanation of **how** you will get to work, **where** the closest bus stops are, **how long** it will take, and **how much** it will cost you each month to buy a bus pass. Don't forget to include the price of the bus pass in your monthly expenses. Make sure you add a **picture** to this page that represents the transportation you will use.

## 9) Weekly Menu

You will plan **three meals a day plus snacks** for yourself for **one week**. You must use **Canada's Food Guide** to make sure that you include

servings from all of the food groups on each day. In other words, you must plan **healthy meals**! You cannot plan to eat Kraft Dinner or french fries every day! You will make a chart for your meals.

Example:

### My Weekly Menu

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Breakfast:  Glass of orange juice and Cheerios with milk						
Snack:  Yogurt and granola bar						
Lunch:  Tomato soup and cheese sandwich						
Dinner:  Frozen vegetables, spaghetti with meat sauce, glass						



of juice						
Snack:  Small bag of chips						

## 10) Groceries

Once you have planned your meals for one week, make a list of the **groceries** you will need to buy to make those meals. You must buy food from **all the food groups** (please see Canada's Food Guide for details) on your list. Go to the Sobeys website at <http://www.shopsobeys.com>. At the top left of the webpage click on "Go Shopping" and then scroll down to select the category you want to choose from.

Example:

If I wanted to buy mozzarella cheese I would click on "Dairy", scroll down to "Cheese", click on "Mozzarella", and then put a check in the box next to the brand that I wanted to buy. I would then click on "Add Selected Items to Cart", and then "Go Shopping" to find other items that I want. The total price of the groceries appears at the top of the webpage, and it adds the groceries as you shop. Don't forget to include any condiments you need, such as ketchup, mustard, salad dressing, etc.

Once you have calculated the price for your groceries for this week, **multiply the price by four** to get your **monthly total**.

### 11) Miscellaneous Expenses

Think of a few other expenses you might have, and include them in your budget. Remember to consider **needs vs. wants**. Is there something else you would really like to have for your apartment? You may want to eat at a restaurant, or go to a movie. Maybe your best friend's birthday is coming up and you want to buy a present. Perhaps you want to give money to charity. Maybe you want to save to buy a car. Whatever you decide to do with your money, include it in your budget.

### 12) Results

After you have completed all of the above steps, you need to **calculate** your budget. You will work out the **total dollar value** of your monthly expenses and **subtract** that number from your **monthly net income** (the amount of money you make after deductions have been taken out). The answer will indicate how much money you have left over after all your expenses are paid. Hopefully, this will not be a negative number! For examples of how to set up your budget, see page 148 of your Social Studies textbook, or page 6 of the Junior Achievement workbook.

Finally, you will write **two paragraphs** explaining what you have learned from doing this assignment, and anything that surprised you, or that you found difficult or challenging. How does economics affect your daily life? What is the importance of making a budget? Think about your future and about the lifestyle you would like to have. Would you be able to afford it if you really got the job that you found for this project? What kind of a job and salary do you want for yourself someday? How will you get that job? Explain why it is important to have short-term and long-term goals when making your budget.